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For Immediate Release March 13, 2006 Norfolk, Virginia For Further Information Contact: Deanna Warren at 757-441-6331

NEWS RELEASE

Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced that Allison R. Broda, age 44, of Suffolk, Virginia, pleaded guilty today to conspiracy to receive illegal gratuities. Her sentencing has been set for June 19, 2006.

Allison R. Broda, was a government contract employee, Supply Technician, at the Space and Naval Warfare Systems Center Charleston Detachment in Building 59 at St. Juliens Creek, Portsmouth, Virginia. She had worked as a government contract employee in the transportation area since approximately 1980. Broda had the authority to act on behalf of the United States Government in creating government Form1149, (Requisition and Invoice/Shipping Document) to facilitate the award of government freight transportation contracts, known as bills of lading, to various freight forwarding companies. The items shipped were equipment and supplies in support of the United States Navy.

From in or about March 2001 through November 2004, Broda accepted various items of value from Teresa Stranigan, who previously pleaded guilty and is to be sentenced, June 2, 2006. Stranigan was a sales representative for Air Cargo Expediters Incorporated (Air Cargo) a.k.a. AIT, a freight forwarding company located at 5733 Bayside Road, Suite 105, Virginia Beach, Virginia 23455. Stranigan, through Air Cargo, provided Broda with food items in the form of lunches and dinners at various restaurants in the Hampton Roads and Outer Banks of North Carolina areas, concert tickets for shows by Alan Jackson and Gretchen Wilson, NASCAR tickets for races in both Richmond, Virginia and Charlotte, North Carolina, hotel room charges associated with the Richmond NASCAR race, weekend accommodations including spa privileges at the Sanderling Inn in Duck, North Carolina, "spa days" at Dillard's Department Store, alcoholic beverages, and various clothing and jewelry items.

The items of value accepted by the defendant from the Air Cargo employee totaled approximately \$10,000.

Allison Broda is the seventh defendant connected in this investigation involving illegal gratuities payments between freight forwarding companies and government officials. This investigation is continuing.

The investigation was conducted by the Naval Criminal Investigative Services, Defense Criminal Investigative Service, and the Federal Bureau of Investigation. Audit assistance was provided by the Defense Contract Audit Agency. Assistant United States Attorney Robert J. Seidel, Jr. is the prosecutor in this case.